

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

SB 1119 - HB 1008

March 2, 2013

SUMMARY OF BILL: Creates the Select Oversight Committee on Corrections (SOCC) consisting of 14 legislative members. Authorizes the SOCC to employ staff. Requires the SOCC to meet at least quarterly and at the call of the chair. Authorizes the members to receive reimbursement for travel expenses at the same rates and in the same manner as when attending the General Assembly. Requires the SOCC to report on its activities to each member of the General Assembly. Subjects the SOCC to termination every four years from June 30, 2013, unless continued by the General Assembly. Authorizes the Speakers of the General Assembly to increase the membership of the SOCC to 20 members. Requires the Office of the Comptroller of the Treasury to conduct a performance evaluation of the SOCC prior to its termination.

Creates the Select Committee on Children and Youth (SCCY) consisting of 18 members. Requires the Committee to meet at least eight times a year and at the call of the chair. Authorizes the members to receive reimbursement for travel expenses at the same rates and in the same manner as when attending the General Assembly. Authorizes the Committee to employ staff. Requires the Committee to publish a report following the conclusion of any regular session occurring in an even-numbered year, which summarizes the Committee's activities, findings, recommendations, and proposals. Upon distribution of such final report, the Committee shall cease to exist. Until such time the Committee terminates, requires the Commissioner of Children's Services to report at least three times a year and when called upon by the Committee.

Creates the Select Oversight Committee on TennCare consisting of 14 members. Authorizes the Committee to employ staff. Requires the Committee to meet at least quarterly and at the call of the chair. Authorizes the members to receive reimbursement for travel expenses at the same rates and in the same manner as when attending the General Assembly. Requires the Committee to report on its activities to each member of the General Assembly. Requires the Committee to review proposed expenditures for TennCare, programs, functions, and activities of the Department of Health (DOH) and TennCare. Terminates the Committee on June 30, 2014. Requires the Speakers to reappoint or appoint new members to the Committee each subsequent regular session of the General Assembly for the duration of the Committee.

Requires the TennCare Bureau to file a report at least annually setting forth data and statistics relative to health care provided to women. Requires the Bureau and the DOH to develop measures to assess the effectiveness of presumptive eligibility, the distribution of providers for each managed care organization (MCO) for TennCare enrollees, and the incidences of early prenatal care for TennCare recipients. Requires the Bureau to report by December 1, 2013, and each year thereafter to the Committee, the Speakers of each house, and the SCCY. Requires the Bureau to file a quarterly report for each of the first three quarters of each year. Such quarterly

reports should include an update on the status of TennCare reforms and improvements, progress of annual re-verification of all TennCare recipients, status of filling top-leadership positions in the Bureau, number of recipients on TennCare and the associated costs to the state, viability of MCOs and providers in the TennCare program, and success of fraud detection and prevention. Requires a final report by the Bureau during the fourth quarter of each year, within 15 days of the end of each quarter, to be transmitted to the Committee, the Office of Legislative Budget Analysis, and the Fiscal Review Committee.

ESTIMATED FISCAL IMPACT:

**Increase State Expenditures - \$30,000/One-Time
\$527,800/Recurring**

Assumptions:

- The Select Oversight Committees will be extended beyond their proposed termination dates; therefore, incurred expenditures are estimated to be recurring.
- Travel and per diem expenses for 46 legislative members of \$13,662 per meeting (\$173 per diem plus \$124 mileage for each member). Assuming at least four of the required sixteen meetings will be held during session, the total cost for Committee meetings will be \$163,944 (\$13,662 x 12 meetings).
- Each Committee will hire an executive director and an administrative assistant at a recurring cost of \$363,832.68 which includes salary [(3 positions x \$60,000) + (3 positions x \$35,000)], benefits [(3 positions x \$9,018) + (3 positions x \$5,261)] and insurance (6 positions x \$5,999.28) plus one-time costs of \$30,000 [6 x \$5,000 for each position for computer, equipment, and related items].
- Total recurring costs will be \$527,776.68 (\$163,944 + \$363,832.68).
- Any increase in workloads for the DOC and the Bureau of TennCare to provide assistance to the relevant committees can be accommodated within existing resources without an increased appropriation or reduced reversion.
- Any costs incurred by the Commissioners of Education and Children's Services to meet the reporting requirements will not be significant and can be accommodated within existing resources.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "Lucian D. Geise". The signature is fluid and cursive, with the first name "Lucian" written in a larger, more prominent script than the last name "Geise".

Lucian D. Geise, Executive Director

/lsc